

Ashley M. McDow (245114)
John A. Simon (admitted Pro Hac Vice)
Shane J. Moses (250533)
FOLEY & LARDNER LLP
555 S. Flower St., 33rd Floor
Los Angeles, CA 90071
Telephone: 213.972.4500
Email: amcdow@foley.com
jsimon@foley.com
smoses@foley.com

Attorneys for Debtors and Debtors in Possession, SCOOBEZ, SCOOBEZ GLOBAL, INC., and SCOOBUR, LLC

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
LOS ANGELES DIVISION

In re:
SCOOBEEZ, et al.¹

Debtors and Debtors in Possession.

Affects:

- All Debtors
- Scoobeez, ONLY
- Scoobeez Global, Inc., ONLY
- Scoobur LLC, ONLY

Case No. 2:19-bk-14989-WB
Jointly Administered:
2:19-bk-14991-WB; 2:19-bk-14997-WB

**DEBTORS' LIMITED OBJECTION TO
MOTION FOR ALLOWANCE AND
PAYMENT OF ADMINISTRATIVE
EXPENSE CLAIM**

Hearing:
Date: January 23, 2020
Time: 10:00 a.m.
Place: Courtroom 1375
U.S. Bankruptcy Court
255 East Temple Street
Los Angeles, CA 90012

¹ The Debtors and the last four digits of their respective federal taxpayer identification numbers are as follows: Scoobeez (6339); Scoobeez Global, Inc. (9779); and Scoobur, LLC (0343). The Debtors' address is 3463 Foothill Boulevard, Glendale, California 91214.

1 Scoobeez, Scoobeez Global, Inc., and Scoobur, LLC, the debtors and debtors in possession (collectively
2 “Debtors” or “Scoobeez”) in the above-captioned chapter 11 bankruptcy cases (collectively the “Chapter
3 11 Cases”) hereby file their Limited Objection to Motion for Allowance and Payment of Administrative
4 Expense Claim of Shoushana Ohanessian [Docket No. 517] (the “Administrative Claim”).

5 Despite its length, the Administrative Claim lacks critical information necessary for the Court to
6 allow these reimbursable expenses. This lack of information is not surprising, as the Debtors have been
7 requesting basic information from Ms. Ohanessian since August 2019. Despite these repeated requests,
8 Ms. Ohanessian has not, to date, provided the information necessary for the Debtors to determine how
9 much of the requested expenses are appropriately reimbursable.

10 The Debtors are committed to paying the “necessary expenditures” incurred by Ms. Ohanessian
11 in “direct consequence of the discharge” of her duties, as required by California Labor Code Section
12 2802.

13 Some of the expenses that Ms. Ohanessian has submitted would undoubtedly fall into this
14 category (for instance, her basic hotel stay in Chicago). Some of the expenses that Ms. Ohanessian has
15 submitted undoubtedly fall outside of this category (for instance, repeated hotel mini-bar charges, hotel
16 upgrades, and cash back on credit card transactions). And, some of the expenses that Ms. Ohanessian
17 has submitted without any additional information, despite repeated, multiple requests, Ms. Ohanessian
18 has refused to provide necessary documentation of the expenses that she submitted (for instance, more
19 than \$1,000 of Uber transactions, without any information about where or why the Uber was taken).
20 Without more information, such as the nature of the transaction, or who was present at the meeting, or
21 where an uber or taxi was taken, the Debtors cannot evaluate the expense reimbursement request.

22 Given the inter-related nature of her expense requests, the Debtors will consider all necessary
23 expenditures as soon as Ms. Ohanessian provides the requested, necessary information to determine
24 which are necessary expenditures, within the meaning of California Labor Code Section 2802. Until
25 that time, this administrative claim should be held in abeyance until Ms. Ohanessian provides sufficient
26 documentation of these expenses.

27 Moreover, given the excessive nature of these reimbursement requests (especially in comparison
28 to other, similarly situated employees), the Debtors must ensure that the payment of these expenses are

DEBTORS’ LIMITED OBJECTION TO OHANESSIAN MOTION FOR ALLOWANCE AND PAYMENT OF
ADMINISTRATIVE EXPENSE CLAIM
Case No. 2:19-bk-14989-WB

1 pursuant to all Bankruptcy Court orders, including the applicable cash collateral budgets. *See, e.g.*,
2 Docket Nos. 172, 328 and 490.

3 Finally, Ms. Ohanessian raises for the first time in the Administrative Claim an issue regarding
4 the Debtors' obligation to pay for tolls, obligations that were incurred prior to the Petition Date.
5 Pursuant to Section 503 of the Bankruptcy Code, an administrative expense is an expense that is the
6 "actual, necessary, cost of preserving the estate." These pre-petition obligations are not an appropriate
7 administrative expense.

8
9 DATED: January 9, 2020

FOLEY & LARDNER LLP

10 /s/ Ashley McDow
11 Ashley McDow

12 Attorneys for Debtors and Debtors-in-Possession
13 SCOOBEEZ, SCOOBEEZ GLOBAL, INC., and
SCOOBUR, LLC

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:

Foley & Lardner LLP, 555 South Flower Street, Suite 3300, Los Angeles, CA 90072-2411
A true and correct copy of the foregoing document entitled (specify):

DEBTORS' LIMITED OBJECTION TO OHANESSIAN MOTION FOR ALLOWANCE AND PAYMENT OF ADMINISTRATIVE EXPENSE CLAIM

will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (date) 11/4/19, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On (date) 11/4/19, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

Honorable Julia W. Brand
United States Bankruptcy Court
Central District of California
Edward R. Roybal Federal Building and Courthouse
255 E. Temple Street, Suite 1382
Los Angeles, CA 90012

Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION

OR EMAIL (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (date) _____, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

1 Service information continued on attached page

2 I declare under penalty of perjury under the laws of the United States that the foregoing is true
3 and correct.

4

1/9/20	Ashley McDow	/s/ Ashley McDow
<i>Date</i>	<i>Printed Name</i>	<i>Signature</i>

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

DEBTORS' LIMITED OBJECTION TO OHANESSIAN MOTION FOR ALLOWANCE AND PAYMENT OF
ADMINISTRATIVE EXPENSE CLAIM
Case No. 2:19-bk-14989-WB

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):

- **Richard T Baum** rickbaum@hotmail.com, rickbaum@ecf.inforuptcy.com
- **Richard W Esterkin** richard.esterkin@morganlewis.com
- **John-Patrick M Fritz** jpf@lnbyb.com, JPF.LNBYB@ecf.inforuptcy.com
- **Riebert Sterling Henderson** shenderson@gibbsgiden.com
- **Vivian Ho** BKClaimConfirmation@ftb.ca.gov
- **David Brian Lally** davidlallylaw@gmail.com
- **Alvin Mar** alvin.mar@usdoj.gov, dare.law@usdoj.gov
- **Ashley M McDow** amcdow@foley.com, sgaeta@foley.com;mhebbeln@foley.com;swilson@foley.com;jsimon@foley.com
- **Stacey A Miller** smiller@tharpe-howell.com
- **Kevin H Morse** kmorse@clarkhill.com, blambert@clarkhill.com
- **Shane J Moses** smoses@foley.com
- **Akop J Nalbandyan** jnalbandyan@LNtriallawyers.com, cbautista@LNtriallawyers.com
- **Rejoy Nalkara** rejoy.nalkara@americaninfosource.com
- **Anthony J Napolitano** anapolitano@buchalter.com, IFS_filing@buchalter.com;salarcon@buchalter.com
- **Jennifer L Nassiri** jennifernassiri@quinnmanuel.com
- **David L. Neale** dln@lnbyb.com
- **Aram Ordubegian** ordubegian.aram@arentfox.com
- **Hamid R Rafatjoo** hrafatjoo@raineslaw.com, bclark@raineslaw.com;cwilliams@raineslaw.com
- **Gregory M Salvato** gsalvato@salvatolawoffices.com, calendar@salvatolawoffices.com;jboufadel@salvatolawoffices.com;gsalvato@ecf.inforuptcy.com
- **Jeffrey S Shinbrot** jeffrey@shinbrotfirm.com, sandra@shinbrotfirm.com
- **Steven M Spector** sspector@buchalter.com, IFS_efiling@buchalter.com;salarcon@buchalter.com
- **United States Trustee (LA)** ustpregion16.la.ecf@usdoj.gov
- **Kimberly Walsh** bk-kwalsh@texasattorneygeneral.gov
- **Eric D Winston** ericwinston@quinnmanuel.com
- **Eric K Yaeckel** yaeckel@sullivanlawgroupapc.com